

[All Counsel Listed On Signature Page]

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN FRANCISCO DIVISION

MATSUSHITA ELECTRIC INDUSTRIAL CO,
LTD,

Plaintiff,

v.

CMC MAGNETICS CORPORATION, HOTAN
CORPORATION, and KHYPERMEDIA
CORPORATION

Defendants.

Civil Action No. 06 C 4538

Honorable William H. Alsup

**STIPULATION AND ~~PROPOSED~~ ORDER DISMISSING
ACTION**

Matsushita Electric Industrial Co., Ltd. ("Panasonic") and CMC Magnetics Corp., Hotan Corp., and KHypermedia Corp. (collectively "CMC") have entered into a confidential settlement agreement ("Agreement"), which resolves the above-captioned matter. Pursuant to that agreement, the parties hereby stipulate and agree as follows:

1. Panasonic's Complaint for Patent Infringement against CMC, including all claims relating to infringement of U.S. Patent Nos. RE37,185, 4,847,132, and 5,790,487, and any other claims arising from the facts stated therein, is dismissed with prejudice pursuant to Federal Rule of Civil Procedure 41(a)(1).

2. CMC's Amended Answer and Counterclaims, including all counterclaims regarding the infringement, validity, and enforceability of U.S. Patent Nos. RE37,185, 4,847,132, and 5,790,487, and any other claims arising from the facts stated therein, is dismissed with

prejudice pursuant to Federal Rule of Civil Procedure 41(a)(1).

3. Panasonic and CMC shall each bear its own costs of suit and attorneys' fees and no party is considered the "prevailing party" within the meaning of Rule 54(d) of the Federal Rules of Civil Procedure.

4. This Stipulation shall be made an Order of the Court.

I hereby attest that I have on file all holograph signatures for any signatures indicated by a "conformed" signature (/S/) within this e-filed document.

Dated: March 23, 2007

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By: /s/ Christopher J. Cox
Christopher J. Cox

1
2 Dated: March 23, 2007

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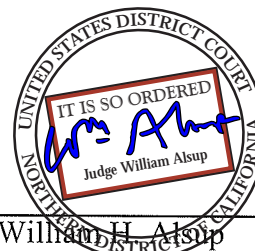
Attorneys for Defendants/Counterclaim Plaintiffs,
CMC MAGNETICS CORP., HOTAN CORP.,
KHYPERMEDIA CORP.

By: /s/ Alexander J. Hadjis
Alexander J. Hadjis

ORDER

19 IT IS SO ORDERED.

20
21 Dated: March 23, 2007



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23 Hon. William H. Alsup
United States District Court Judge